



Fact Sheet on an Amendment to the Cooperative Environmental Agreement between Northern Engraving Corporation and Wisconsin Department of Natural Resources



On June 10, 2002, the Wisconsin Department of Natural Resources (DNR), and Northern Engraving Corporation (NEC) signed a Cooperative Environmental Agreement (Agreement) that included the NEC facilities in Sparta and Holmen, Wisconsin. This Agreement was developed under Wisconsin's Environmental Cooperation Pilot Program pursuant to Section 299.80, Wis. Statutes.

On July 16, 2002, the DNR received a letter from NEC requesting that the Agreement be amended to include their Galesville facility, 20875 W. Gale Avenue, Galesville, WI 54630 and West Salem facility, 600 Brickl Road, West Salem, WI 54698. The DNR is considering amending the original Agreement to include these facilities and is seeking public comment pursuant to Section 299.80 (7) (b) (1) and Section 299.80 (8) Wis. Statutes.

A. General Information about NEC West Salem and Galesville Facilities

Both West Salem and Galesville are located in an area that is classified as "attainment" for all criteria pollutants (Where sec. 285.01 (30) Wis. Stats. "Nonattainment area" means an area identified by the DNR in a document prepared under s. 285.23 (2) where the concentration in the atmosphere of an air contaminant exceeds an air quality standard.) In 1995, NEC West Salem submitted a Part 70 Operation Permit application. In 2002, NEC revised its application, requesting limits to be a Synthetic Minor, Non-Part 70 source. The Galesville facility operates as a Synthetic Minor Non-Part 70 Source. West Salem and Galesville have realized tremendous reductions in VOCs and HAPs and currently operate well below the requirements of a major and minor source operation.

NEC West Salem

This facility is located in the Village of West Salem, La Crosse County, population 4738. They employ roughly 300 workers. The facility produces automotive trim, overlays and buttons of metal and plastic. Processes include sheet preparation, molding, and decoration of the metal and plastic by screen-printing, spraying, lithographic printing, and roll coating, as well as assembly, packing and shipping.

NEC Galesville

The Galesville facility is located in an industrial section, adjacent to a residential area in the Village of Galesville, Trempealeau County, WI, population 1,427. The Galesville facility employs 120 workers. The facility produces automotive gauges and dials. Processes include plastic sheet preparation, decoration by silk screening and finishing and packaging of parts for shipment.

B. NEC's Environmental Policy

NEC has a strong Environmental Policy Statement summarizing the philosophy and principles that guide how they work with the environment. A copy of the Statement can be reviewed on the DNR's Website at <http://www.dnr.state.wi.us/org/caer/cea/ecpp/agreements/nec/agreements/appendixes/appendixf.htm>

C. Commitments in Agreement

Under the proposed Amendment to the Agreement, NEC would commit their Galesville and West Salem facilities to the same superior environmental performance as their Sparta and Holmen facilities. NEC would continue to

pursue registration of their facilities to ISO 14001. The West Salem facility achieved registration in November 2000 and under the Amendment to the Agreement the Galesville facility would achieve registration by December 2003.

Under the Amendment to the Agreement, NEC would commit to keeping emissions limits well below what would be considered minor source limits by agreeing to a yearly cap of less than 85 tons VOCs and HAPs (less than 8 tons per each HAP and less than 20 tons combined total for each consecutive 12 month period) and will continue to seek reductions on a yearly basis. Both NEC and DNR believe their Environmental Management System (EMS) will help NEC realize positive environmental gains while protecting health and economic stability for the company and the community. NEC will continue to provide emissions data to EPA and DNR semi annually. If NEC is at 50% of the established limits at the time, NEC will also provide additional comment on how they intend to stay within their limit for the remainder of the year.

D. Variances to be granted

The variances that are granted in the Amendment are the same as those granted to the Sparta and Holmen facilities in the original Agreement. The Amendment to the Agreement would:

- Allow the West Salem facility to discontinue the use of their incinerator, just as the existing Agreement has allowed the Sparta facility to discontinue using its incinerator. In 2001 NEC emitted 43.1 tons of volatile organic compounds (VOC), well within legal limits. The incinerator used 1700 million cubic feet of natural gas at a cost of \$17,000 and controlled only a disproportionate 2.7 tons of the VOCs. Both DNR and NEC believe that allowing NEC to shut down the West Salem incinerator will lead to two beneficial outcomes. First, NEC will have more time to spend on activities with greater outcomes such as the EMS, cleanups, superior environmental improvement, etc. And second, NEC will not use a significant amount of natural gas to operate the incinerator and will not emit .09 - .14 tons of Nox and .07 - .11 tons of CO in operation.
- Provide a variance to the "once-in-always-in" policy for RACT at the West Salem facility.
- Allow NEC to construct, modify, and/or move equipment between facilities prior to obtaining a construction permit under certain conditions.
- Allow NEC to initially operate new equipment prior to obtaining a construction permit under limited scenarios provided ambient air quality standards are protected and NEC first receives written approval from the DNR.
- Grant variances to the LACT requirements under the agreement for both facilities. VOC emissions from the West Salem and Galesville facilities will be less than 85 tons per year averaged over 12 consecutive months. Both facilities would be restricted to less than 8 tons of Hazardous Air Pollutants (HAPs) for each HAP or less than 20 tons combined total (HAPs) per year.
- Allow monthly record keeping and calculations in lieu of daily record keeping and calculations as allowed for the Sparta and Holmen facilities.

E. Benefits of the Amendment to the Agreement

The Amendment to the Agreement would continue to test a well designed EMS and hopes to realize substantial savings of time and labor for both DNR and NEC while seeing to public safety and achieving environmental gains. The terms of the Agreement will hopefully provide economic stability for NEC and the communities involved.

F. Community involvement and building trust

Under the terms of the Amendment to the Agreement and requirement of an ISO 14001 registration, NEC would continue to conduct yearly audits of its EMS and provide performance evaluations to the DNR. NEC would also make, information on its progress available to the public and would continue to hold regular meetings with a community established interested persons group.

G. For more information

Go to the DNR's Bureau of Cooperative Environmental Assistance website at:

<http://www.dnr.state.wi.us/org/caer/cea/ecpp> or contact Mark Harings at (715) 831 - 3263, or e-mail at Mark.Harings@dnr.state.wi.us.